

Confidentiality Requested:

Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
July 2014

Form must be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Ran Liner

OPERATOR: License # 32446

Name: Merit Energy Company, LLC

Address 1: 13727 Noel Rd Ste 120

Address 2: _____

City: Dallas State: TX Zip: 75240 + _____

Contact Person: Idania Medina

Phone: (620) 629-4228

CONTRACTOR: License # 35177

Name: Rick's Well Service

Wellsite Geologist: NLR

Purchaser: _____

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SLOW
- Gas D&A ENHR SIGW
- OG GSW Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: Anadarko Petroleum Company

Well Name: Eubank North Unit 12-3

Original Comp. Date: 5/21/2014 Original Total Depth: 5671

- Deepening Re-perf. Conv. to ENHR Conv. to SWD
- Plug Back Conv. to GSW Conv. to Producer
- Commingled Permit #: _____
- Dual Completion Permit #: _____
- SWD Permit #: _____
- ENHR Permit #: E-28302
- GSW Permit #: _____

<u>11/8/2016</u>	<u>2/8/2017</u>
Spud Date or Recompletion Date	Date Reached TD Completion Date or Recompletion Date

API No. 15 - 081-21515 -00-02

Spot Description: _____

SW_NW_NW_SW Sec. 3 Twp. 29 S. R. 34 East West

2,344 Feet from North / South Line of Section

5,025 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

GPS Location: Lat: 37.5538552 Long: -101.0342112

(o.g. xx xxxxx)

(o.g. -xxx xxxxx)

Datum: NAD27 NAD83 WGS84

County: Haskell

Lease Name: Eubank North Unit Well #: 12-3

Field Name: Eubank

Producing Formation: Chester

Elevation: Ground: 2993 Kelly Bushing: 3000

Total Vertical Depth: 5675 Plug Back Total Depth: 5610

Amount of Surface Pipe Set and Cemented at: 1808 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmf.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____ Received
KANSAS CORPORATION COMMISSION

Location of fluid disposal if hauled offsite: MAY 15 2017

Operator Name: _____ CONSERVATION DIVISION

Lease Name: _____ License #: _____ WICHITA, KS

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

INSTRUCTIONS: The original form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. If confidentiality is requested and approved, side two of this form will be held confidential for a period of 2 years. Rules 82-3-130, 82-3-106 and 82-3-107 apply. Drill Stem Test, Cement Tickets and Geological Well Report must be attached.

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Idania Medina

Title: Regulatory Analyst Date: 5/15/2016

KCC Office Use ONLY

Confidentiality Requested

Date: _____

Confidential Release Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT I II III Approved by: KJR Date: 5-15-2017

Operator Name: Merit Energy Company, LLC Lease Name: Eubank North Unit Well #: 12-3
 Sec. 3 Twp. 29 S. R. 34 East West County: Haskell

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test; along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No List All E. Logs Run:	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum SEE ORIGINAL
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (in O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Liner	5.5	4.5	11.36	5286	Class A	240+55 RH	See Attached

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Did you perform a hydraulic fracturing treatment on this well? Yes No *(If No, skip questions 2 and 3)*
 Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? Yes No *(If No, skip question 3)*
 Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? Yes No *(If No, fill out Page Three of the ACO-1)*

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth

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MAY 15 2017
 CONSERVATION DIVISION
 WICHITA, KS

TUBING RECORD: Size: <u>2.8750</u> Set At: <u>5261</u> Packer At: <u>5261</u> Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR:	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
Estimated Production Per 24 Hours	Oil Bbls. Gas Mcf Water Ebls. Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input checked="" type="checkbox"/> Other (Specify) <u>Ran Liner</u>	PRODUCTION INTERVAL: _____ _____
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Remit to:
BJ Services LLC
P.O. Box 733595
Dallas, TX 75373-3595

Cement Job Summary

Job Number: Lib1702031333		Job Purpose 06 Liner			
Customer: MERIT ENERGY COMPANY			Date: 2/3/2017		
Well Name: ENU		Number: 12-3			
County: Haskell		City:	State: KS		
Cust. Rep:		Phone:	Rig Phone:		
Distance 50 miles (one way)		Supervisor	Hector Esqueda		
TIME AM/PM	PRESSURE - (PSI)		FLUID PUMPED DATA		COMMENTS
	CASING	ANNULUS	VOLUME	RATE (BPM)	
					2/3/2017
9:00					arrived to location
9:20					rig up iron head and manifold
10:00					company man wanted to wait for the rest of the cement before starting the job
11:00					prime up the pump
11:15	3300				pressure test line to 3300PSI
11:20					safety meeting
11:24	80			2.5	start pumping fresh water to break circulation
11:27	60		6	3	6bbls gone increased rate to 3 bpm
11:31	170		19	1.8	loaded well with 19bbls of water
11:32	680		20	1.8	20bbls gone and pressure increased
11:33			22.5		shut down 22 1/2bbls of fresh water pumped
11:35					start mixing the 10bbls of HIVIS SWEEP
11:47	90		10	2	start pumping the HIVIS SWEEP
11:51	1130		77	2.6	start the LEAD CEMENT @ 12.80#
12:01	850		24	2.7	24bbls of LEAD CEMENT pumped
12:08	880		32	3.1	32bbls of LEAD CEMENT pumped
12:09	520		47	2.4	47bbls of LEAD CEMENT pumped
12:19	100		11	3.1	start the TAIL CEMENT @ 14.50#
12:24					shut down close the bottom valve on the manifold and open up the 2" valve going to the pit of wash tub and lines
12:28					start washing up the tub
12:38					shut down close the 2" valve going to the pit and open the top valve on the manifold and drop the plug
12:41	20		181	2.2	start the 181bbls displacement
12:45	800		16	2.5	16bbls in and caught cement
12:47	1810		20	2.5	20bbls gone pressure increase
12:51	2020		30	2.5	30bbls gone pressure increase
12:56	2420		40	2.5	40bbls gone pressure increase
12:59	2350		48	2.4	48bbl in and lost circulation
13:00	2550		50	2.4	50bbls in and got circulation back
13:00	1950		51	2.4	51bbls gone and lost circulation again
13:04	2550		60	2.5	60bbls gone and we got circulation back
13:07	2540		64	1.3	64bbls gone
13:12	2550		70	.7	70bbls gone
13:27	3200		80	.7	80bbls gone
13:28	3700		81		landed plug @ 3700PSI with 81bbls
	2500				wait a few minutes and release pressure
					released pressure and floats were holding
					got 3/4bbl back to tank

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CONSERVATION DIVISION
WICHITA, KS



Remit to:
BJ Services LLC
P.O. Box 73585
Dallas, TX 75273-3585

Cement Job Summary

2500					re-pressure plug to 2500PSI and hold for 15 minutes
					released pressure, rig down
					released from location @ 3:00
					circulated 25bbls of cement to surface

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CONSERVATION DIVISION
WICHITA, KS



CORRECT FIELD TICKET

Cementing Services
Field Ticket

Printed on 2/6/2017 at 9:34 AM

Remit to:
BJ Services LLC
P.O. Box 733585
Dallas, TX 75373-3585

TAX ID 81-1373543

Field Ticket Number: Lib1702031333	Field Ticket Date:	Friday, February 03, 2017
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Bill To:
MERIT ENERGY COMPANY
 Liberal, KS 67901
 P O Box 1293 / 1900 W 2nd St

Job Name: 08 LIner
Well Location: Haskell, KS Set@5286 - 240 sx Class A
Well Name: ENU 55 sx RH
Well Number: 12-3
Well Type: New Well
Rig Number: WORK OVER #
Shipping Point: Liberal, KS
Sales Office: Mid Con

PERSONEL		EQUIPMENT	
Hector Esqueda	Rarron Escartega	993-4/541-5	870-4/553-5
Victor Garcia	Alex Ayala	788-4/744-5	1039-2

SERVICES - SERVICES - SERVICES							
Description	QTY	UOM	Unit Amt	Gross Amt	Unit Not	Discount	Net Amount
PUMP, CASING CEMENT 5001-6000 FT	1.00	min. 4 hr	3,099.25	3099.25	1,952.53	37.0%	1,952.53
CMLP	1.00	per day	275.00	275.00	173.25	37.0%	173.25
PHDL	326.00	per cu. FL	2.48	808.48	1.56	37.0%	509.34
DRYG	680.00	ton-mile	2.75	1870.00	1.73	37.0%	1,178.10
MILV	50.00	per mile	4.40	220.00	2.77	37.0%	138.60
MIHV	50.00	per mile	7.70	385.00	4.85	37.0%	242.55

FLOAT EQUIPMENT -- FLOAT EQUIPMENT -- FLOAT EQUIPMENT							
FE	1.00		2,588.00	2,588.00	1,630.44	37.0%	1,630.44
TRP-4.5	1.00	each	91.00	91.00	57.33	37.0%	57.33
TLK - 4.5	2.00	each	85.00	170.00	53.55	37.0%	107.10

MATERIALS - MATERIALS - MATERIALS							
CW-HVS	10.00	bbf	58.70	587.00	369.98	37.0%	369.98
CB-ALWA	240.00	sack	19.88	4,771.20	12.52	37.0%	3,005.86
CFL-210	84.00	pound	18.90	1,587.60	11.91	37.0%	1,000.19
CD-100	53.00	pound	7.73	409.69	4.87	37.0%	258.10
CLC-KOL	120.00	pound	0.98	117.60	0.62	37.0%	74.09
CLC-CPF	30.00	pound	2.97	89.10	1.87	37.0%	58.13
CB-APA	55.00	sack	17.30	951.50	10.90	37.0%	599.45
CFL-210	19.00	pound	18.90	359.10	11.91	37.0%	226.23
CD-100	12.00	pound	7.73	92.76	4.87	37.0%	58.44
CLC-KOL	28.00	pound	0.98	27.44	0.62	37.0%	17.29
CLC-CPF	7.00	pound	2.97	20.79	1.87	37.0%	13.10

ADDITIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS							
Additional hours, in excess of set hours	3.00	per hour	440.00	1,320.00	277.20	37.0%	831.80

	Gross	Discount	Final
Services Total	6,857.72	2,483.36	4,194.37
Equipment Total	2,849.00	1,054.13	1,794.87
Materials Total	9,013.78	3,335.10	5,678.68
Additional Items	1,320.00	488.40	831.60
Final Total	19,840.51	7,340.99	12,499.52

Allied Rep: _____
 Customer Agent: _____

This output does NOT include taxes. Applicable sales tax will be billed on the final invoice.
 Customer hereby acknowledges receipt of the materials and services described above and on the attached documents.

Received
 KANSAS CORPORATION COMMISSION

MAY 15 2017

CONSERVATION DIVISION
 WICHITA, KS



I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X

Field Ticket Total (USD):

\$12,499.52

Customer Signature

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Oil & Gas Services, LLC, and "CUSTOMER" shall refer to the party identified by that term on the front of this contract. As applicable, "JOB" relates to the services described on the front side of this contract, "MERCHANDISE" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

-TERMS: Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to ALLIED before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, CUSTOMER agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that CUSTOMER may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate. Any amounts previously paid as excess interest shall be deducted from the amounts owing from the CUSTOMER or at the option of ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED and CUSTOMER agree that Kansas law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

-ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

-PRICES AND TAXES: All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

-TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by the CUSTOMER.

-PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

-DEADHAUL CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

-SERVICE CONDITIONS AND LIABILITIES:

1). ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

- A). Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and
- B). Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2). With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3). ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

-WARRANTIES:

1). ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and services when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2). More specifically:

- A). Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.
- B). Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation or tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.
- C). Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent, and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

Received
KANSAS CORPORATION COMMISSION

MAY 15 2017

CONSERVATION DIVISION
WICHITA, KS



Cementing Services
Field Ticket

Printed on 2/3/2017 at 2:32 PM

Item 110
BJ Service LLC
P.O. Box 732585
Dallas, TX 75273-2585

Allied Rep _____
Customer Agent: _____

Additional Items	440.00	162.80	277.20
Final Total	21,831.01	8,077.47	13,753.54

This output does NOT include taxes. Applicable sales tax will be billed on the final invoice.
Customer hereby acknowledges receipt of the materials and services described above and on the attached documents.
I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

x Martin Aragon
Customer Signature ATE:

Field Ticket Total (USD): \$13,753.54

Received
KANSAS CORPORATION COMMISSION

MAY 15 2017

CONSERVATION DIVISION
WICHITA, KS